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**Montana  
Department of Transportation**

**Impact of Canadian Economic  
Development on Northern Montana  
Highways**

**March 17, 2009  
Monthly Progress Report # 3  
For Period  
February 1, 2009 – February 28, 2009**

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## INTRODUCTION

This document is the third monthly progress report for Montana Department of Transportation (MDT) study titled “Impact of Canadian Economic Development on Northern Montana Highways” led by HDR | Decision Economics consultant research team. This progress report covers the period February 1, 2009 to February 28, 2009.

The objective of this project is to evaluate current and projected Canadian economic activity and the associated commercial traffic on northern Montana highways and US-Canada border crossings (ports).

The Specific tasks identified in the project work plane are:

Task 0 – Administration

Task 1 – Literature Review

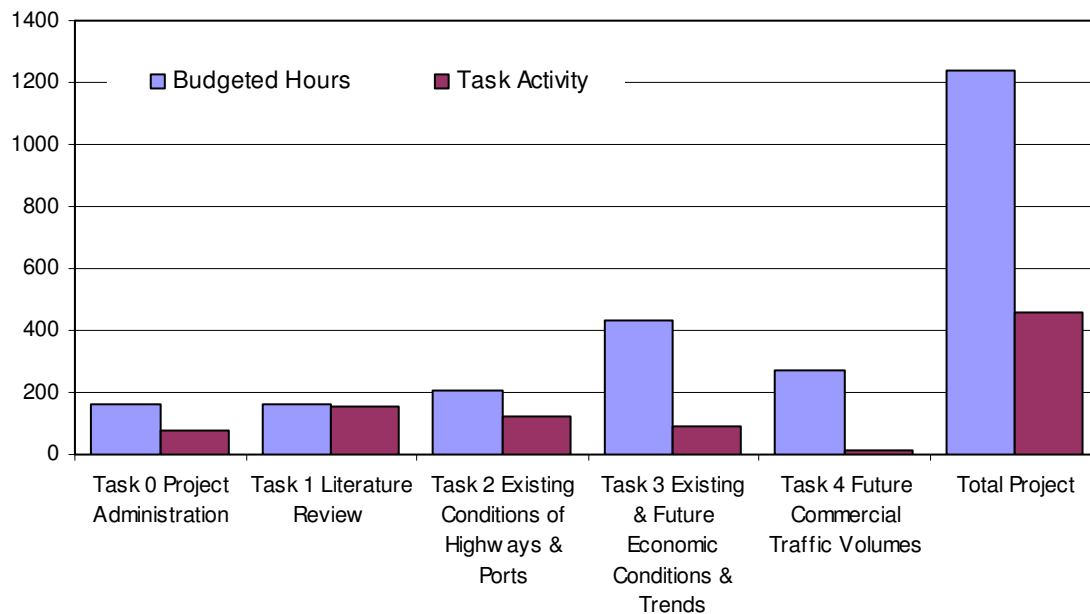
Task 2 – Existing Conditions of Highways and Ports

Task 3 – Existing and Future Economic Conditions and Trends

Task 4 – Future Commercial Traffic Volumes

The following sections describe: a) the work accomplished during this reporting period under each task; b) the percent complete for each task; and c) the work planned for the next month. In addition, we are attaching an invoice with the hours and expenses incurred during this period. Figure 1 presents an overview of percent complete by task and for the project overall.

**Figure 1 – Budgeted Level of Effort and Research Activity by Task**



## **TASK 0 – ADMINISTRATION**

The second monthly team meeting was held on February 9, 2009 in preparation for the kick-off meeting. HDR continued to prepare for the kick-off meeting with MDT on February 11 by developing the PowerPoint slides for that meeting. HDR completed multiple rounds of internal review and improvement prior to the meeting. HDR team members Hodge, Bekka and Parkins attended the kick-off meeting on February 11, and Hodge met with MDT staff on February 10 for additional project-related briefings and discussions, and also prepared detailed meeting minutes that were submitted to MDT. This invoice includes travel expenses from that meeting.

***Percent Complete*** – We estimate 46% complete for this task

### ***Work planned for next month***

HDR will continue to conduct monthly team meetings to discuss progress and provide direction on upcoming work.

## **TASK 1 – LITERATURE REVIEW**

HDR completed an internal review of the Draft Literature Review (technical memorandum #1) and submitted it to MDT just prior to the kick-off meeting. Based on discussions with the technical panel at the kick-off meeting, HDR agreed to add some additional material to the literature review in the areas of: a) the tourism and visitor industry in Montana; and b) studies and findings of port operational strategies such as extending to 24 hour service POEs. HDR made these additions in February and planned to submit a final version in March.

***Percent Complete*** – We estimate 96% complete for this task

### ***Work planned for next month***

HDR plans to finalize Literature Review and re-submit to MDT in March.

## **TASK 2 – EXISTING CONDITIONS OF HIGHWAYS AND PORTS**

During this reporting period, task leader Geoff Parkins, based in Billings, continued to gather relevant data on highways and ports in Montana and generated tables and initial maps of key data elements for the nine (9) Montana ports for the kick-off meeting presentation. Based on feedback from the kick-off meeting, HDR began assembling a second data request for MDT to provide more detailed information on directional flows (e.g., both north-south and south-north) as well as additional information on US 2. HDR crafted a Task 2 report outline with a consistent set of information to be provided for each POE. HDR began researching border crossing security and operations policies relevant to Montana-Canada POEs.

***Percent Complete*** – We estimate 58% complete for this task

### ***Work planned for next month***

HDR will submit a second data request to MDT and continue preparing the Task 2 technical memorandum. HDR plans to submit a draft technical memorandum in March that will include port-specific traffic and infrastructure conditions, broader assessments in table and map form, updated information on planned improvements, and a draft of border security and operations policy.

## **TASK 3 – EXISTING AND FUTURE ECONOMIC CONDITIONS AND TRENDS**

Leading up to the kick-off meeting, HDR collected significant economic and trade data for Sweet Grass as well as the Alberta economy (growth, exports, key industries) and presented this information at the kick-off meeting. Based on this initial data collection and technical panel feedback (e.g., the importance of tourism), HDR researched a comprehensive set of data and economic outlook resources to develop a detailed outline of: a) economic, industry and trade data concepts; and b) the specific data/resources of information to support that analysis.

***Percent Complete*** – We estimate 20% complete for this task

### ***Work planned for next month***

HDR will continue collecting economic/trade data in support of the Task 3 analysis, with focus on completing a preliminary draft of the Task 3 report sections. HDR will work on the primary research sub-task by developing an interview guide and initial set of stakeholder organizations to contact (to be submitted to MDT and the technical panel).

## **TASK 4 – FUTURE COMMERCIAL TRAFFIC VOLUMES**

As part of preparations for the kick-off meeting, HDR began developing the forecast modeling framework required for Task 4. This resulted in an initial set of structure and logic (S&L) models to estimate Canadian economic and industry growth and how that translates into commercial growth across Montana border crossings that were presented and discussed with the technical panel. A key result of this effort was a productive discussion on how the modeling framework could be adapted to capture both north-south as well as south-north commercial traffic flows.

***Percent Complete*** – We estimate 6% complete for this task

### ***Work planned for next month***

HDR will continue to examine the initially proposed modeling framework in light of directional flows and trade patterns.



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